

OTHER PROJECTS

KOTA JAYA (JAYACITY)

This is to be a land bank in Tangerang to total 1,600 ha when all permits and acquisitions are complete. This large area will be developed in the same successful manner as Bintaro Jaya. PT Garden Polis is currently debt free.

In the inter-group transaction to acquire the land, PT. Jaya Garden Polis owns the land, but the development permits for the 1,700 ha. site is held by 12 companies held by PT. Jayaland. Therefore, the company is being restructured before seeking Bapepam (the Indonesian Capital Market Supervisory Agency) approval. The title to the land and development permits are assembled under PT. Jaya Garden Polis, which is owned 30% by PT. Pembangunan Jaya and 70% by Jayaland.

The costs of this acquisition were financed from the IPO. The costs of development of this huge new town residential estate will be financed from outside sources.

An obvious benefit of the acquisition of this land bank is that it will diversify the company's residential portfolio; so Jaya Real does not depend on one site, however successful.

The acquisition of large land banks is a worry for most developers. This is not so for Jaya Real Property. Jaya Real is part of a group of companies focusing on real estate, and has the government connection.

BINTARO-SERPONG TOLL ROAD

Traffic infrastructure remains a critical need for Jakarta and area. Many areas targeted for huge new town residential complex development suffer from a lack of roads connecting them to

the central city, where the higher paying jobs are located. The management of Bintaro Jaya has had the vision to address this issue early, with plans to build the Bintaro-Serpong Toll road, to connect the Bintaro Jaya residential estate with downtown Jakarta. Even though



Kota Jaya, the new satellite city at Tangerang, will look like this.



now commute times between The Bintaro Jaya estate and the downtown area is a relatively reasonable 30 to 45 minutes, commute times will be cut drastically by the completion and opening of the Toll road in 1997.

Jaya Real property formed a joint-venture to develop this 13 km toll road linking the future Bintaro Business District with the under construction outer ring road of Jakarta. The joint-venture will be 40% owned by Jaya Real Property and 60% owned by Bumi Spong Damai, which is jointly owned by the Salim Group, Sinar Mas Group, Jaya Group, and Metropolitan Group.

The total cost of this project, which will benefit citizens all over the southwest of Jakarta, including the fortunate residents of Bintaro Jaya, is expected to be around Rp. 300 billion - including financing costs. The toll road will be built on a Build-Operate Transfer (BOT) basis on a 25-year concession, with the government responsible for a portion of the land acquisition - recall that the government is a major shareholder of Jaya Real Property. 25% of the cost will be financed by equity and 75% by long-term bank loans. Pacific Consultants International of Japan has been hired on as the design consultant for the project.

Remember that the construction of this toll road is for improved service to all citizens of southwest Jakarta, but will greatly benefit residents of Bintaro Jaya. Property values for Bintaro Jaya are expected to appreciate greatly as a result of this toll road's successful completion.

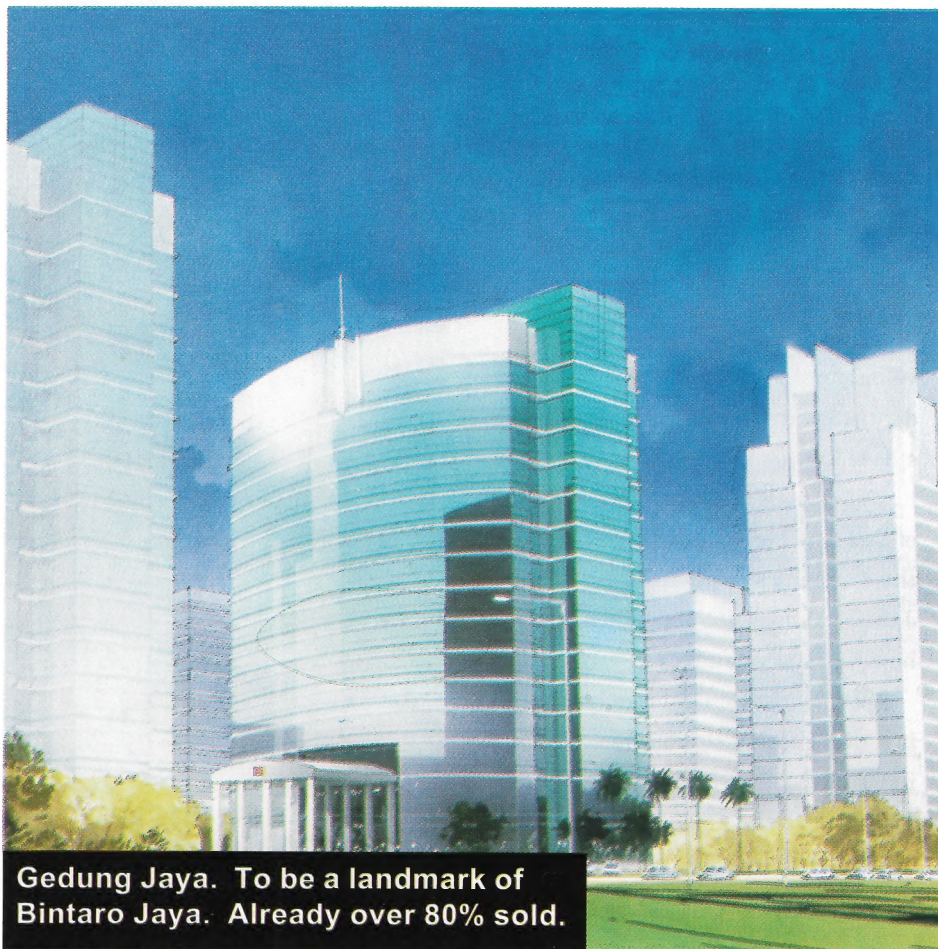


Plaza Bintaro Jaya.
One of the most attractive and successful shopping malls.

GEDUNG JAYA

This building is a 17-storey strata-title office building, a type of structure and marketing strategy which has been very successful recently in Jakarta.

Built on 15,000 sqm of land and with 20,000 sqm of net saleable space, this will be the first office tower in the Bintaro Jaya CBD. Out of a total 17 floors, 14 have been pre-sold at around

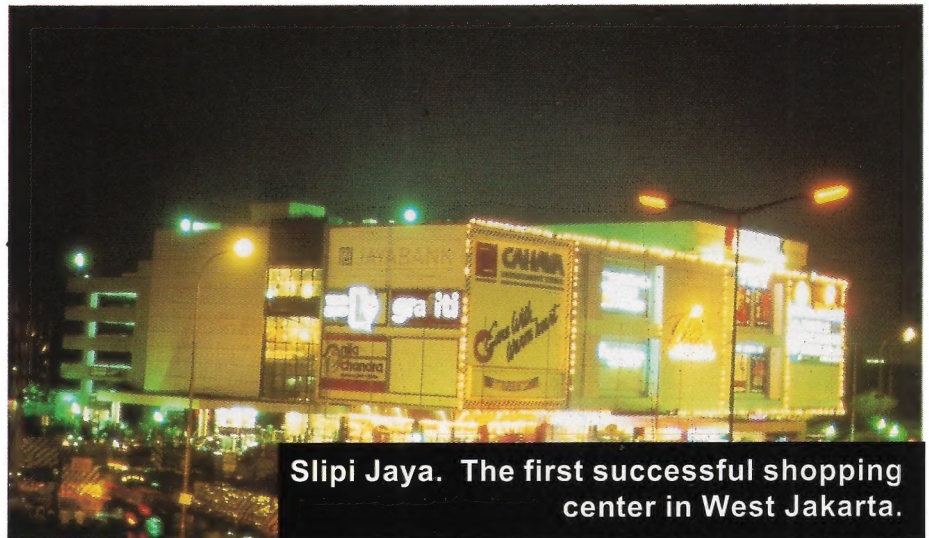


Gedung Jaya. To be a landmark of Bintaro Jaya. Already over 80% sold.

US\$ 750 per sqm. Again, although this office building is projected to be successful as a property product in its own right, it also serves as an anchor for the future success of the Bintaro CBD.

PLAZA BITARO JAYA

This complete and fully operational recreational family shopping mall was completed in 1993, and has already achieved success. It is a main area of shopping and recreation for residents of Bintaro Jaya, surrounding areas. The shopping complex has a net leasable floor area of 19,380 sqm, with 106 retail spaces on three floors. Anchor tenants in the mall are Cahaya Department Store, Hero Supermarket, Gramedia Bookstore, and Studio 21 Cineplex. The mall as of now has a near 100% occupancy rate. Plaza Bintaro Jaya had averaged rates of Rp. 30,000 (US\$ 13.76) psm per month in 1994, excluding service charges, with leases signed for a period of 5 to 10 years. Plaza Bintaro Jaya has been value at Rp. 58.6 billion.



Slipi Jaya. The first successful shopping center in West Jakarta.

SLIPI JAYA PLAZA

Acquired in 1993 as part of the ongoing growth and diversification of Jaya Real Property, this is a four-story shopping center located outside Bintaro Jaya in west Jakarta. The shopping center has a net leasable floor area of 9,532 sqm, and room for 56 retail tenants on a 6,650 sqm site. The shopping center is popular in the area and is 96% leased. This property was acquired by Jaya Real Property in December 1993 for about Rp. 40.6 billion (US\$ 19.2 million) at a prospective yield of 12.3%. This property achieved rental rates of US\$ 20.00 per month in 1994.

SEKEN RETAIL DEVELOPMENT

In order to diversify its impressive holdings in the residential sector, Jaya Real added this retail development located in central Jakarta to its portfolio in 1993. Jaya Real owns two adjoining retail blocks situated on a site of 2.1 ha. The Net leasable area for the two blocks is 24,899 sqm with 1,655 retail spaces. The occupancy rate for Senen Block IV is 100% and Senen Block V is 87%. Average rental rates were about US\$ 18.90 per sqm. per month in 1994. These two blocks have been valued at Rp 79.1 billion.



Senen retail development project. Located in one of the busiest business areas.

JALAN T.B. SIMATUPANG SOUTH JAKARTA

In 1994, Jaya Real Property acquired two ha of land in a promising area on the outer ring road of Jakarta. On this part of the ring road a toll road is being built, and is expected to be completed at the end of 1995. At this location, Jaya Real plans to build a mixed-use retail and residential complex.



CONCLUSION

The residential property sector is the strongest in the real estate business in Indonesia.

Prospects in the residential sector are nearly matched by those in the retail sector. Jaya Real Property is firmly entrenched in the large-scale residential estate business, with some diversification into retail and commercial. The landed residential sector represents 90% of the company's asset value. Again, 92% of revenue in 1994 came from sales of residential land and houses, and 8% from retail rental income. The conditions of oversupply in the apartment and office space sectors will not adversely affect the performance of Jaya Real Property because of its concentration in the residential estate sector and its ability to maintain a strong cash position.

An example of the strength of the company occurred in 1990. During that time, in Indonesia there was a governmental 'tight money policy', and generally, a time of financial hardship for the property industry. In spite of this, and in contrast to most other firms, PT Jaya Real Property actually saw a strengthening of its financial situation during this period.

The Bintaro Jaya project is a proven success with continuing progress and high buyer interest. The acquisition of Jaya Garden Polis has given a further

boost to Jaya Property's NAV, and will be a growing second source of residential property sales for the company. The excellent value of the stock - with a



**Ciputra and Tanto Kurniawan.
Two generations of successful planning
and management.**

50% discount to its post-acquisition NAV, and further expected increases in NAV from further acquisitions in the near term, make this stock a recommended buy.

The management of the company is sound, with real estate magnate

Ciputra part-owner and on the team of directors. Continuous and diligent evaluation and planning is used by the company. Jaya Real operates with the guidance of a 5-year strategic plan. In addition, since 1980 the company has conducted intensive annual evaluations. These monitor current projects,

address shortcomings that might be overcome, and identify possible future difficulties. PT Jaya Real Property will continue to anticipate coming changes and respond with decisiveness. The governmental connection means that the company has excellent knowledge of future trends in city development and legalities.

This stock is firmly founded, financially sound, well managed, and has excellent growth prospects. PT Jaya Real has Bintaro Jaya, the new city that all others in Indonesia measure themselves by. The company has begun planning and development on similar developments. It has begun to diversify into the retail and commercial sector, while keeping its business core in the strong residential sector. This combination of proven success, masterful management, and careful planning make Jaya Real Property an attractive choice for every stock investor. The company's Bintaro Jaya is, for the same reasons, a supremely attractive choice for every prospective home owner in the Jakarta and west Java area.



CIPUTRA GROUP

Ciputra Development

VISIONARY MANAGEMENT

In Indonesia's dynamic property business, Ciputra is a household name, and well-known by property players abroad. The man known as 'The Pioneer' of the Indonesian real estate industry has achieved a spectacular string of successes in property development in his career.



PT. Ciputra Development, is a giant in residential property development, and one of the most successful property companies in the country. The company's main business is residential property development, supplemented by income from retail, and hotel projects. It became a publicly listed company on the Jakarta Stock Exchange in March 1994. Perhaps the most powerful attribute of this company is the management. The Ciputra family has a reputation for leadership of successful business enterprises throughout the history of the Indonesian property business, and has majority ownership of PT Ciputra Development. The international reputation of Ciputra brings to PT. Ciputra Development unmatched name recognition value. These management skills are important, but it would be difficult to overestimate the value of the vast network and connections to the government Ciputra has developed over the years. This is a huge asset for a developer in Indonesia. According to Lucia Gunawan, a stock exchange analyst from Sigma Research, Inc., Ciputra Development's success in the stock exchange is related to its strong business performance, and to the company's reputation. The company has a favorable P/E ratio. The name 'Ciputra' is also a powerful psychological factor. 'Ciputra is a brand name,' explained Pentasena Arthasentosa's analyst Sri Widodo.

History

PT Ciputra Development was established in 1981 as PT Citra Habitat Indonesia. In 1984 the company began its first project, the 50 ha. Perumahan Citra residential estate. Initial success caused it to grow to a vast 455 hectares. It is the first and largest enterprise of its kind in the strategically located in the Cengkareng area, west Jakarta.

Ciputra pioneered the planning

and development of CitraRaya Surabaya, the first self-contained city in West Surabaya; financial center of East Indonesia, in 1989. Construction of Phase I began in mid-1993. The company began acquiring land for the integrated residential park, CitraRaya Tangerang the same year.

Construction began on the mixed-use CitraLand Grogol hotel and shopping mall in 1991. That same year construction began on CitraLand Semarang, a mixed use



development including hotel and shopping center, located in the capital of central Java.

The 1993, the company launched the self-contained city, CitraRaya, Surabaya, and began the development of the largest single project of Ciputra Development. Also in 1993 CitraLand Grogol's shopping center opened for operation. The hotel's soft-opening took place in September. This project was officially launched in April. Also, CitraLand Semarang's shopping center opened



A home at Perumahan Citra

for business in '93.

Construction of Citra Regency Apartments, the first phase development of the Citra Triangle mixed-use development, commenced in 1994. That year also saw the launch of CitraRaya Tangerang, a satellite city located in Tangerang, west of Jakarta, in the primary growth corridor of the city. Also in 1994, construction began on CitraLand Semarang, a mixed-use development.

These expansion projects were quite expensive. These costs inspired Ciputra Development to go public at the end of February, 1994. The company made an offering of 50 million shares. It was the eleventh property company to be listed in the Jakarta Stock Exchange.

Company Strategy

This company receives the bulk of its revenue from selling housing or lots at its residential estates. It makes profit by acquiring large tracts of land and adding necessary infrastructure to create an area ready to occupation by buyers. This means building roads, water lines, electricity, telephone lines, drainage, etc. Most of Ciputra Development's business is in sale of single family dwellings. The sale of large lots without housing is only a small part of the company's business. The main profit in this transaction is from the appreciation in the land price of the developed land. In terms of profit, the infrastructure and housing are a means to increase the value of the land. Most of PT Ciputra Develop-



Perumahan Citra Jakarta.

The first residential estate strategically located near Soekarno Hatta airport



ment's earnings come from housing sales of this type.

Developers in Indonesia generally acquire land, develop the land with infrastructure, pre-sell the land, and continue on-going developments of their projects, which currently tend to cover many hectares.

The acquisition of large areas of land is difficult close in to cities. Therefore, developers buy big areas of land farther out than the current developments areas on the city fringe. The acquired land is undeveloped and more easily bought in large

tracts than the smaller parcels located closer to the urban center. The relatively complex process of acquiring legal land rights is handled routinely, thanks to the vast experience of the management of Ciputra Development.

Usually, these areas lack infrastructure. The company must build all of the infrastructural facilities in the course of its development of the property. This situation can actually work to the advantage of the developer, because the land with infrastructure appreciates in value mark-

edly in contrast with the surrounding land.

The idea of living in a planned community is still relatively new in Indonesia, since large scale developments of any type were almost unknown before the 1970s. This novelty is also a selling point. Of course, buyers also are concerned with location and journey-to-work times. Ciputra Development has taken care to locate its developments close to main traffic arteries, like toll roads. Its projects are well thought out, and are built to be of high quality.

The reputation of Ciputra Development is rock-solid in the practice of pre-selling property products. In order to discourage speculation, the company imposes quite tough terms of payment. The buyers have to pay 100% of the sale price within one month upon booking, though the house will only be delivered 6 months to 1 year later. This pre-selling practice works because PT CD has a proven track record. They have never had a legal dispute over land where houses were pre-sold. This should continue for the conceivable future.

The majority of sales of houses are financed by five-to-ten year mortgages, offered at about 18.75-20.5% interest. (Note that there is no sec-

ondary mortgage facility system set up in Indonesia). Buyers usually are required to make a down payment of 20%-30% of the sale price, with the remainder of the housing financed through the mortgage. The bank pays off the debt within one month of the booking.

Financial Review

In March, '94, Ciputra Development went public, offering 50 million new shares of stock to the public, which was 20% of its enlarged capital, at Rp 5,200. Of the proceeds of Rp 260 billion, about 20% was used to pay off short term loans. 80% was used as working capital to finance

projects by the Company's subsidiaries, to purchase land in CitraRaya Surabaya, CitraRaya Tangerang, Perumahan Citra and Citra Golden Triangle.

PT. CD is one of the largest market capitalization companies listed on the JSX. Since the listing date of March 21, 1994, the stocks have been actively traded, making the stock one of the most liquid on the market.

For 1994, the total revenue of Ciputra Development is Rp 428.4 billion, a significant increase compared to total revenue in 1993 of Rp 92.4 million. This amazing increase came because two large projects; CitraRaya Surabaya and CitraRaya Tangerang, began to contribute to the company's revenue, and also CitraLand Mall & Hotel Jakarta, Citraland Mall Semarang contributed full year revenue in 1994.

The revenue contributions from each project are as follows:

□ Perumahan Citra	31.77%
□ CitraRaya Surabaya	36.72%
□ CitraRaya Tangerang	17.18%
□ Citraland Mall & Hotel Jakarta	11.95%
□ CitraLand Mall & Hotel Semarang	2.38%

Even though the company's total revenue in 1994 increased 4.6 times in comparison to 1993, net income after tax increased 38.8 times, from Rp 2.7 billion to Rp 104.0 billion, and earnings per share increased 27.4 times, from Rp 16 to Rp 438. This growth came because of the margin contributed by both new projects,

FINANCIAL HIGHLIGHTS				
	1995F	1994	1993	1992
Financial Position				
Current Assets	1,106,035	792,925	495,487	329,719
Fixed Assets	772,934	724,453	501,059	263,092
Other Assets	27,141	75,172	43,690	152,197
Total Assets	1,906,110	1,592,550	1,040,236	745,008
Current Liabilities	383,118	465,324	317,929	126,458
Total Liabilities	1,192,758	996,838	808,499	567,654
Stockholders' equity	713,352	595,712	231,737	177,354
Operating Result				
Total Revenue	566,090	428,427	92,422	92,811
Gross Profit	274,460	225,994	46,386	26,283
Income from Operations	204,256	159,686	16,679	12,791
Net Income after Tax	106,050	103,975	2,683	8,720
Earning per share (Rp.)	424	438	16	58
Financial Ratio				
Current Ratio	2.89	1.70	1.56	2.61
Total Debt to Assets	0.46	0.43	0.56	0.52
Total Debt to Equity	1.22	1.16	2.50	2.19
Return on Assets	5.56%	6.53%	0.26%	1.17%
Return on Equity	14.87%	17.45%	1.16%	4.92%
Gross Margin	48.48%	52.75%	50.19%	28.32%
Operating Margin	36.08%	37.27%	18.05%	13.78%
Profit Margin	18.73%	24.27%	2.90%	9.40%



CitraRaya Surabaya

Surabaya, the second largest city in Indonesia, has, on a smaller scale, the same residential housing problems as Jakarta: overpopulated living areas, an overtaxed traffic system, out-of-date infrastructure, and a lack of recreational areas. Al-

though development has taken place in other parts of the city, some areas remained undeveloped, because of the lack of a water source.

the toll road directly to CitraLand. The company took almost five years to prepare for the project after first being offered the opportunity by the government.

Formerly CitraLand City Surabaya, this fully integrated, self-con-

covers a huge 1,000 ha of land, of which 750 ha have been acquired, with the rest in the process of being acquired.

The IPO proceeds of Ciputra Development is being used to help finance this undertaking. Completion of all aspects of this huge new city may take 15 years.

The first phase of this giant new city project covers 250 ha of land, and



CitraLand Golf and Country Club Surabaya

though development has taken place in other parts of the city, some areas remained undeveloped, because of the lack of a water source.

The government appealed to developers to move into this area, and PT Ciputra Development answered the call. The government is encouraging developments such as these in order to create new suburban areas and reduce crowding in central Surabaya. There are even plans for additional transport arteries to link

tained new city project is designed to be the most prestigious living settlement in East Java. This is one of the premier property developments of PT Ciputra Development. It contains a 630 ha. residential estate, with two 18 hole golf courses, a 100 ha recreational area, and a 90 ha commercial area located on the outskirts of Surabaya, in East Java. This development will convert a vast, undeveloped area into a prime commercial, residential, and tourism center. It

consists of 400 units of high-end housing and 18 hole golf courses. The company will build expensive and less-costly homes. The strategy in developing the residential areas is to provide each area with a different theme.

The Bukit Golf is the residential estate surrounding the golf courses. The International Village is a 60 ha area with international standard schools, Mansion park, and exclusive residential enclave, close to Bukit

Golf.

CitraLand Golf and Country club is built on 180 ha and consists of two 18 hole golf courses. The first 18 hole golf course, designed by Dye Design and Ciputra Corporation, is to be the venue for regional and international tournaments. Complementing the world class golf course is the club house, offering a driving range, meeting facilities, and ball rooms. Tennis courts and a fully equipped fitness center, with sauna and swimming pool are available, along with a club house dining room.

Plans include a theme park, water park, art, sports and leisure centers, a hotel, and tourism facilities.

Infrastructural works inside the site will consist of two 5 km. main roads. The first road will become a part of Surabaya's outer ring road, while the other main road is will be the lengthening of the Mayjen Sungkono Road. Beside those two main roads, there will be numerous collector and branch roads inside the complex itself. To obtain safe drinking water, Ciputra Development has built a 9.5 km. water pipe from Kali Surabaya, and will pump the much needed water to the water treatment centers inside the site. As for telecommunications, there are hundreds of phone lines available during the first construction phase. Finally, in order to make purchasing a home easier, any prospective buy may purchase a house through the Home Ownership Program at local banks.

CitraRaya Tangerang

Formerly known as Citra Grand City, CitraRaya is another innovative new city development from Ir. Ciputra. Designed to be 'the city of the arts', this is a city built with beautiful artwork adorning locations throughout the city. Also, this development emphasizes a 'green', environmentally aware lifestyle for residents, through parks, green shaded lanes, and an abundance of plants and trees growing all over the development to promote harmonious living amongst nature.

The landmark of this city is the giant gate, with neoclassic architecture. Its height is 29 m and the width

is 40 m. On the top are nine sculptures of horses. This gate invites comparison to the past grandeur of Rome.

This 'city of the arts' is located in Tangerang, about 30 km. west of Jakarta, an area destined for the future growth of Jakarta.

This self-contained city is to be developed on a giant 1,000 ha. site, of which 432 ha have been acquired. It will integrate a housing estate with all the elements necessary to give the community the character of a city, including a 40 ha man-made lake.

The construction of this project began in April 1994. During the presale in July, 1994 and the launch in October, 1994, about 800 house



The main gate at CitraRaya Tangerang. Recalling the past grandeur of Rome.



Housing Unit In CitraRaya Tangerang
An integrated residential area with a 'City of the Arts' theme.

units were sold. The plan for the city calls for 40% for residential use, 20% for commercial use, and 40% for infrastructural and extensive public facilities. The first 200 ha planned for residential use will contain 8,500 houses, with 55% of those houses on lots of 200 sqm and under, 25% on lots of 200-600 sqm, 15% for shop houses, and 5% on lots of 600 sqm and up.

The first 100 ha commercial area will be developed for office buildings, shopping centers, retail space, a hotel, and a convention and exhibition center.

Public facilities include an international standard school, hospital, recreation center, museum and art gallery, and a family club.

The hospital will be built on two ha of land, and the hospital itself will have 16,000 sqm of floor space.

Infrastructural facilities include water treatment system, wastewater treatment, and an underground sewage system. All the telephone and electrical lines are underground, so as not to mar the theme of 'city of the arts'.

The total investment for the first phase development is Rp 500 billion (US\$ 227 million). The second phase development, other than residential, will include an 18 hole golf course, and a business center.

To epitomize its theme as the 'city of the arts', all of the roads around the city are named after famous artists, such as Picasso, Van Gogh, Hendra Gunawan, Affandi, Sudjojono, and Mersad Beber.

This residential estate will have artists' galleries, a museum, and artistic displays, to support the city

theme.

The art center, a unique project at CitraRaya Tangerang, will be the home of permanent exhibitions of works of art by famous Indonesian artist Hendra Gunawan, from Ciputra's own collection. The size of the art center is to be 6,000 sqm, to be built on 2,000 sqm of land.

A 2,000 sqm amphitheatre will be built. Sculptured gardens, an artists' gallery, and artists' colony will all be an integral part of this 'city of the arts'.

The customer confidence in this project is great, because of the Ciputra name, the strategic location, and the unique concept. Ciputra himself conceived the theme of 'city of the arts', and is determined to make CitraRaya Tangerang a special place to live, work and play.

Investment Property

Ciputra Development has successfully diversified into the retail and hotel sub-sectors. This move prevents the company from being too exposed in one area of the property business.

All of PT CD's investment properties are strategically located in primary areas.

Here are some of its holdings in investment properties, which contribute about 9% of total revenues.

CitraLand Mall and Hotel Jakarta

Between Cengkareng International airport and Jakarta city center stands CitraLand Mall and Hotel, a mixed-use complex in West Jakarta. Strategically located near residential estates and several universities, this integrated development is a hub of activity in West Jakarta, attracting hundreds of thousands of visitors weekly. A 100,000 sqm 18-storey development, it includes the four-star, 330 room CitraLand Hotel, and the CitraLand Mall; a 80,000 sqm shopping center on 4.13 ha of land.

CitraLand Mall, the largest shopping center in Jakarta, is occupied by anchor tenants such as Hero Supermarket, MataHari Department Store, Studio 21 Cineplex, and Gramedia Bookstore. This quality of anchor tenant is hard to come by in the increasingly competitive retail sector. With over 250 shops and 60 food outlets, it is also Jakarta's most comprehensively complete mall. Not surprisingly, the occupancy rate of the mall is 100%.



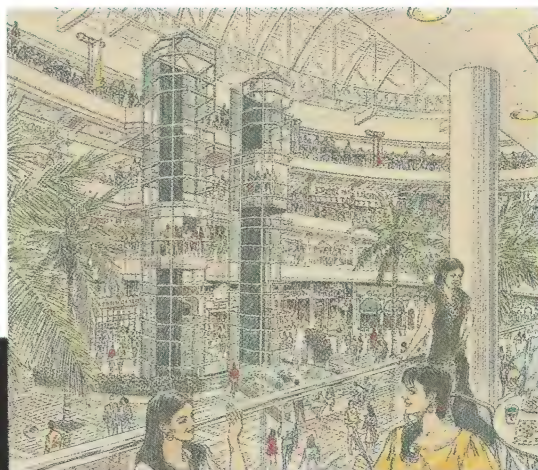
Citra Land Mall and Hotel Jakarta.



The CitraLand hotel, geared to serve the business travelers market, is managed by Swiss Pacific BV. It is located on about 20,000 sqm. Facilities at this international standard hotel include restaurants of many international cuisines, bars and lounges, recreation facilities, a health and fitness center, and swimming pool. The occupancy rate in 1994 is 81%, well above the average industry rate of 62%.

CitraLand Semarang

Located at Simpang Lima, the intersection of the five busiest main roads of Semarang, the capital of central Java, CitraLand Semarang is an integrated development of hotel, mall, and shop offices. This mixed-



use development, built on 22,000 sqm of land, consists of a 22,000 sqm shopping mall, a 207 room four-star hotel, and 42 shop offices.

CitraLand Hotel sits on top of the mall. It is scheduled for completion in November, 1995, under the same professional management as the Grogol hotel. Acting as a counterpart for its sister hotel in Jakarta, the four-star hotel will have all the available services of the attached mall, as well as medical services, a travel agency and car hire.

125 retail outlets, five restaurants, a cineplex, and a food court are available to shoppers at the mall. As the largest and most comprehensive shopping center in Semarang, CitraLand Mall serves as a main center for recreation, and commerce for the 1.2 million residents of Semarang and its neighboring areas.

CitraLand Semarang
A center of recreation and commerce.
(inset) Artist's Impression of a view inside the mall.



Citra Golden Triangle. Where elite residents live, work, and play.

Citra Golden Triangle

Located in the Jakarta CBD, Citra Golden Triangle is a 13.5 ha mixed-use complex. This mixed-use complex will include serviced apartments, condominiums, an international class hotel, office towers, and a shopping center. This extensive project will be built in stages over a ten year time frame, of which the first stage is the two tower, 305 unit serviced apartment and condominium complex.

In April 1994, the company began construction of the first stage development, Citra Regency Apartments. On 1.1 ha of land, this apartment

complex is being developed jointly with Liang Court Holdings of Singapore. When completed, the edifice will consist of 142 strata-titled condominium units for sale and 163 fully-serviced apartments for lease in two towers.

Citra Regency Apartments will offer a multitude of facilities, such as restaurant, spa, pools, putting green, childrens' playground, barbecue area, all located in a large garden area. A round-the-clock security and monitoring system will be incorporated into this residential enclave.



MORE ABOUT CIPUTRA,

THE MAN

Ciputra is a name synonymous with the Indonesian property business. He is former President of FIABCI, the International Real Estate Federation. Today Ciputra handles more than 60 companies under the flag of The Pioneer Group, which is comprised of five development groups, including Ciputra Development.

While still a student at Bandung Technological Institute (ITB), Ciputra formed his own small architectural consultant company. Upon graduation Ciputra insisted they try their luck in Jakarta. He, with partners Budi Brasali and Ismail Sofyan opened another architectural consultant company, PT Perencana Jaya.

Ir. Ciputra came up with the idea to propose the building of a large scale, modern shopping center in the slum area of Senen, in Jakarta. This idea amazed Mr. Sumarno, then Governor of Jakarta, since it was the very first time such a project was ever presented to him.


Soon, with the permission of President Soekarno himself, both

Ciputra, his associates, and the government of Jakarta created a special company to build the project. This shopping center was opened in 1970. This was a remarkable achievement for Ciputra and his associates, since the national economic condition at that time was near catastrophic, with a three digit inflation rate. Following this success, PT Pembangunan Jaya, the company formed by this group, announced a new project of fantastic size and scope; Taman Impian Jaya Ancol.

In five years, the once swamp area in Ancol in north Jakarta was transformed. 140 ha of parks and recreational areas was open to the public. Ancol Dreamland offered a

theme park similar to Disneyland, a water park, a state-of-the-art Oceanarium, the four-star Horizon Hotel, an art market, the Ancol Marina, Ancol Beach, Ancol Golf Course, and the Putri Duyung (Mermaid) Cottages. The theme park, the 25 ha. Fantasy World with rides, live shows and other exhibits, is a premier Jakarta attraction. Further developments are on-going, and include the expansion of many of the existing areas.

Soon this company was overwhelmed with projects. Success followed success in many areas of property business activities: housing settlements, shopping centers, office space, apartments,



hotels, recreational areas, golf courses, and highways.

Ciputra now handles more than 60 companies divided into five groups: PT Pembangunan Jaya Group, Metropolitan Group, Pondok Indah Group, Bumi Serpong Damai Group, and Ciputra Development Group.

Ciputra has said the key to his success is in the implementation of visions and strategies through a clear action plan. Also critical is good management and good human resources.



SUMMARY

The Indonesian economy has had decades of high economic growth and stability. This has translated into consumer purchasing power itself sufficient to catalyze further growth. The rise in per capita disposable income combined with the prudent interest and inflation monitoring policies should open more windows of opportunity for the enterprising.

Since its inception, PT Ciputra Development has maintained a strategy of keeping a sound balance between its short term portfolio as a cash-flow generator and the long-term portfolio, which provides the company with a formidable asset base to ensure capital gains in the foreseeable future.

Since PT Ciputra Development pioneered in developing a housing estate near the Jakarta International Airport, it has spread to other residential settlements, and diversified to an array of multi-use real estate developments.

This company is firmly entrenched in the residential housing market, a sector which should continue to be strong in the future. Sales of properties should continue un-

abated, as the company's reputation is stellar.

When comparing Ciputra Development to other property stock companies on the JSX, one should look at CD's superior quality of housing development portfolios in general. Ciputra Development's ventures into the hotel and retail sectors

depressed prices for property stocks recently. This situation has not made a dramatic upswing. However, Ciputra Development has the attributes of solid management and the invaluable Ciputra name - a name synonymous with success in the property sector. The company's projects are well-conceived, on sche-



Optimism reigns after a stockholders meeting for PT Ciputra Development.

have proven successful and increasingly income producing. And of course, remember the unmatched reputation of Ciputra.

Recent concerns over rising interest rates, the tightening of capital, oversupply in the apartment, and possibly office space markets, have

duple and are showing excellent results in accordance with the best hopes of stockholders and users. There is no property stock company in this country which is more dependable, or a safer investment.



Partnerships and Innovation the Key to Success

With an incredible array
of projects in its portfolio,
including the gigantic
satellite cities Lippo City
and Lippo Village,
Lippoland Development is
optimistic of its success in
the short and long term.



Lippoland Development's expansion into the urban development sector has been characterized by rapid growth. Since its inception in 1983, as PT Nidepa, the trading house has expanded its activities in various sectors of the real estate industry.

Lippoland Development has made plans to launching new projects in 1995 and the following years. Among the projects planned are apartments in the Gold Triangle area in Central Jakarta, the Super Mall in Lippo village, and a 1000-hectare New Town in Ujungpandang, South Sulawesi.

Lippo Land has always created an

economic base for the implementation of its residential projects. Lippo City has a large-scale industrial estate, whereas Lippo Village has a commercial base consisting of office buildings, a huge shopping mall (called Super Mall) and apartments. With the creation of an economic base and an array of supporting facilities, these new towns have had early success in encouraging home buyers.

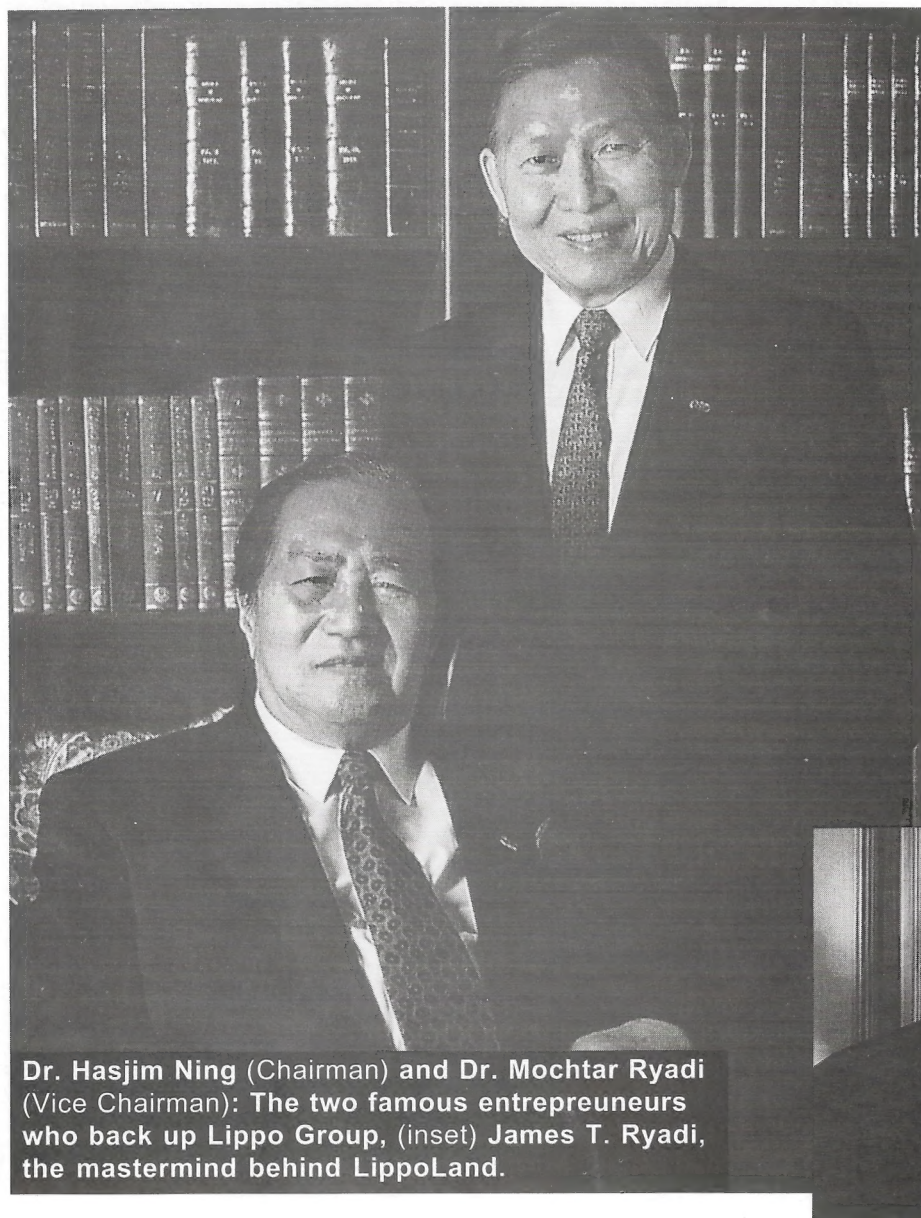
In Lippo City, which started operation two and a half years ago, various facilities have been developed simultaneously. This has caused the area's land prices to increase rapidly, en-

abling Lippo City to earn a significant added value. According to Lippoland Development President Director Roy Edu Tirtaji, developing projects having added value has been the trading company's aim over the past five years. Lippoland Development aims at not only becoming the country's leading, most dynamic property enterprise, but also gaining large profits.

A relatively long time is needed by developers before they can gain profits and become sure that their business will be profitable over time. Lippo Land has demonstrated its expertise in the planning and execution of its projects over the short term. All signs indicate the trading company is determined to be as masterful in its plans for the long term.

According to Lippoland Development Managing Director Erry Firman-syah, the company's speed and efficiency in developing the two new towns of Lippo City and Lippo Village in a relatively short period of time has been made possible by its adoption of the "partnership" concept. Lippoland Development has carried out its projects in cooperation with partners. The partnership concept maintained by Lippoland Development aims at minimizing possible risks it will have to take in the future. Its partners include RODAMCO, a Netherlands-based real estate developer. RODAMCO has business connections with the Singapore government and the Gleneagles hospital in Singapore.

Another partner is South Korea's Hyundai, which will join Lippoland Development in building a new apartment complex in Lippo Village. The apartment complex, Amartapura, expected to be the tallest in the country, will be evenly controlled by the two companies. Hyundai and



Dr. Hasjim Ning (Chairman) and Dr. Mochtar Ryadi (Vice Chairman): The two famous entrepreneurs who back up Lippo Group, (inset) James T. Ryadi, the mastermind behind LippoLand.

**LIPPOLAND DEVELOPMENT
FINANCIAL STATEMENT & RATIO**
for the first six months of 1995

Financial Statement : JUNE, 1995	
Total Asset	Rp 1,498,004.13 Million
Total Liabilities	Rp 928,507.65 Million
Total Equity	Rp 569,536.48 Million
Total Sales	Rp 111,811.85 Million
Operating Profit	Rp 26,118.17 Million
EPS (Annualized)	Rp 238.26
Book Value	Rp 2,288.89
PER	6.40 times
Price to Book Value	0.63 times
Debt to Equity Ratio	1.63 %
Return on Investment	1.98 %
Return on Equity	5.20 %
Net Profit Margin	26.51 %
Operating Profit Margin	23.36 %

Japan's Summitomo have also cooperated with Lippoland Development in implementing a new project in Lippo City.

Urban Development

LippoLand Development has been an innovator in the pre-sale system. The pre-sale marketing system has financially benefited both property sellers and buyers. It helps provide low interest capital to the developer, and enables buyers to own property at lower prices. This marketing concept has helped Lippoland Development to reap greater rewards from its housing projects, and has given hundreds of happy home owners good homes at lower prices.

The company is currently developing 20 property projects and expects to gain quite large profits this year and even larger profits in the years to come (See Table II). "We expect that our principal projects can be completed within 10 years," says Lippoland Development Marketing Director Tong Padilla.

One factor for this optimism is the fact that Lippoland Development currently faces no problem in financing

its new projects despite the ongoing tight credit policy (See Table I). Another factor is the agreement on the 'right issue' policy which means that Lippoland Development will not seek new loans through capital markets for one year after the right issue date. "The company's management will continue to find new breakthroughs for financing all of its new projects," says Erry.

In implementing its new town projects, Lippoland Development has invested extensive funds and time, and used to the utmost its expertise in order to make the projects successful. This is based on the fact that new town projects are enterprises having great

added values. This means that the businesses can generate even larger profits and face less possibilities of seeing profits decline. This part of the property business is also an enterprise quite difficult to enter. It requires vast areas of land.

The Lippo City project measured 2,000 hectares in 1991, when it started. But, the area has been increased to 3,000 hectares (7,400 acres). It was expected to be the largest industrial, commercial and resettlement area in Bekasi, east of Jakarta. The 500-hectare (1,250 acre) Lippo Village in Tangerang, west of Jakarta, started in 1992. It was planned to be the largest commercial



Front: (From left to Right) Roy E. Tirtadji, Bertha S. Umbul, Indra Tasfari, Back : J. Bambang Budiardja, Kenneth R. Wynn, Stanley Setiadi, Joachim U. Rohn



and resettlement area in Tangerang. "Understandably, Lippoland Development is presently in its best condition ever," says Herman Latief. The company has purchased land in strategic locations at relatively low prices. Therefore, its operational activities are currently focused on providing new projects with added value. The company is continuing to develop new infrastructures including roads, water processing plants, water ditches, irrigation facilities, electricity distribution facilities, telecommunication

TABLE II
NET INCOME OF LIPPOLAND DEVELOPMENT

JUNE 1989	Rp	11,330,823,000
JUNE 1990	Rp	1,172,556,000
JUNE 1991	Rp	3,795,574,000
JUNE 1992	Rp	23,044,763,000
JUNE 1993	Rp	28,183,567,000
JUNE 1994	Rp	21,469,434,000
JUNE 1995F	Rp	21,5000,000,000

and transportation facilities at its developments. Also built on these sites are international-standard schools, hospitals, recreational facilities, hotels, country clubs, shopping compounds and Mega malls.

Infrastructure facilities are important for attracting more house buyers, Herman says. However, other, resort type facilities should also be developed in order to attract more buyers from the country's middle-to-high income bracket. The life style of the above mentioned group will help develop the country's tourist industry. This has encouraged Lippoland Development to build Puncak Resort and Carita Resort in order to meet future demands for better recreational sites. These residential resort projects constitute an integrated community; with facilities for trading, recreation and relaxation. The

pre-sale marketing of the projects has been a great success. This proves the theory that people are demanding better facilities, as shown by the results of marketing research.

Clearly, the Puncak Resort and Carita Resort are very promising businesses," Roy says. They are long-term projects, seen from the location and size aspects. Parts of the projects will be developed, occupied and operated in phases. The construction and marketing of the projects will be carried out in the shortest possible period of time. The projects are expected to be completed in a few years' time.

The Puncak Resort and Carita Resort will significantly change the composition of Lippoland Development's portfolio. They will help increase its revenue and net profits. Since the

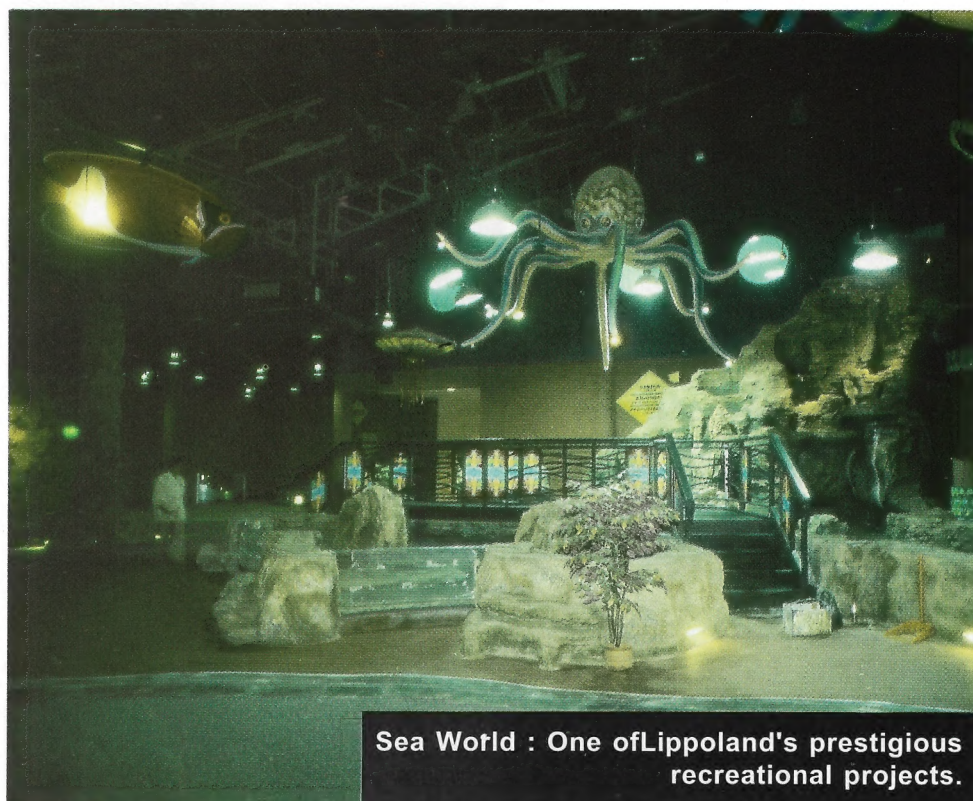
LIPPOLAND PORTFOLIO & OWNERSHIP STAKE

PT Lippo Village	100.0 %
PT Lippo City	44.0 %
Lippo Sea World	40.0 %
Sudirman Tower	20.0 %
Lippo Center-Jakarta	100.0 %
Mix-use Project in Medan	95.0 %
Lippo Center- Bandung	100.0 %
Lippo Center- Surabaya	100.0 %
Puncak Resort- Cipanas	65.0 %
Carita Bay	67.0 %
Super Mall- Lippo Village	75.0 %

projects focus on housing, it is logical to expect that housing projects will constitute between 50 percent and 60 percent of Lippoland Development's revenue.

The housing sector in Indonesia has been a dependable enterprise, with steady growth and good profits. For Lippoland Development, this sector is the largest

part of their business. The masterful development of Lippo City and Lippo Village are proof that Lippoland is a growing giant in the world of real estate, with no slow down in growth expected anytime soon. The company's image as an innovative, successful, proven developer has given it an excellent reputation both here and abroad.



Sea World : One of Lippoland's prestigious recreational projects.

Lippo City

Future Home of A Million People

In 2020, it is estimated that around one million people will reside in Lippo City. The infrastructural needs of this enormous development currently are being built. This is the greatest and most expensive project of Lippo Land.

Once, the site of Lippo City was deserted area, used as a place for baking bricks by local people. Then came Lippo, which is transforming this undeveloped land into a city of the future. Within its vast 2,000 hectare area, a 1,200 ha housing settlement and a 800 ha industrial estate will bring new and exciting living prospects to the Bekasi area. Lippoland Development has also succeeded in obtaining a total of 5,000 more hectares of land. Currently, 300 hectares of housing settlements and 800 hectares of industrial estates have already been developed and sold.

Lippo City is the greatest and most expensive development project of PT Lippoland Development today. This modern satellite city consists of housing settlements, business centers and a huge industrial estate. History will note this as the biggest development in the Bekasi area, east of Jakarta. This concept is supported by the government's master plan for the future, which projects city expansion to this area. The population boom in Jakarta, together with sky rocketing land prices in the Bekasi town boundaries, has further increased the development and sales

records of Lippo City.

Relying on the world-class city architect Men Ta Cheang, Lippo City is designed to be a integrated, well-planned city which strikes one with its physical beauty, yet always brings a feeling of hospitality to residents and visitors. Today Lippoland Development has already finished developments of housing settlements, offices in the central business district, hotels, apartments, condominiums, and shopping

centers. These developments are complete with high-tech infrastructural facilities to support the already operating industries.

Contrary to the other satellite city recently developed by Lippo Land Development - Lippo Village - which stresses the commercial and retail sector, Lippo City will target industrial estates for its economic base. Today there are 300 types of industries within Lippo City's industrial estate, consist-



Global Trade Center, head office of Lippo City management.